

Reclaiming Congressional Trade Authority Act

Purpose

- This legislation will significantly enhance the role of Congress in decisions by the U.S. government to impose tariffs on imported goods, which is necessary in light of (1) the imprudent and irresponsible way in which the Trump administration has used tariffs as a policy tool, and (2) the severe harm that tariffs can cause to the United States and its citizens.
- The bill is particularly timely given the recent threat by President Trump to impose tariffs on all Mexican imports for alleged national security reasons, based on the President's assertion that Mexico has not done enough to prevent undocumented immigrants from crossing into the United States.
- The Murphy bill is a companion to S. 899, introduced in March by Senator Tim Kaine of Virginia and Senator Tom Carper of Delaware.

Background

- Over the years, Congress has delegated to the executive branch a tremendous amount of authority over international trade policy in general and tariff policy in particular.
- Tariffs on foreign goods are a powerful policy tool, and one that can cause significant harm to the United States and its citizens. For that reason, it is tool that must be wielded by U.S. policymakers with great care and precision.
- The Trump administration has taken a series of tariff-related actions, often for alleged "national security" reasons, that have caused significant damage to American consumers, farmers and businesses and upended financial markets. In no case did the administration consult in a meaningful way with Congress prior to imposing the tariffs, and in many cases the tariff actions have been opposed by Member of Congress on a bipartisan basis.
- For example:
 - On March 8, 2018, the administration imposed a 25 percent global tariff on steel imports and a 10 percent global tariff on aluminum imports, under Section 232 of the Trade Expansion Act of 1962. In response, many countries imposed retaliatory tariffs on U.S. exports.
 - In a series of steps beginning in July 2018, the administration imposed a 25 percent tariff on \$250 billion of Chinese imports, under Section 301(c) of the Trade Act of 1974. A proposal to impose a 25 percent tariff on the remaining \$300 billion of Chinese imports is pending. In response, China has imposed retaliatory tariffs on over \$300 billion of U.S. exports.

- On May 30, 2019, the administration, invoking its powers under the International Emergency Economics Powers Act (IEEPA), announced that it would impose a 5 percent tariff on goods from Mexico, effective June 10, with the tariff potentially increasing in 5 percent increments to 25 percent if Mexico's response on the immigration front were deemed insufficient. On June 7, President Trump announced that a deal had been reached with Mexico to avert the imposition of tariffs, but administration officials have said the President retains the authority to impose tariffs on Mexico.
- Studies have [estimated](#) that, taken together, the Section 232 and Section 301 tariffs imposed to date have cost U.S. consumers over \$20 billion, and that retaliatory tariffs have caused U.S. exports to decline by almost \$16 billion. It is estimated that the average American family of four is paying an extra \$767 annually because of these tariffs.
- It is estimated that tariffs on Mexican imports could result in the [loss](#) of 400,000 American jobs.

Summary of Legislation

The Reclaiming Congressional Trade Authority Act of 2019 will:

1. Require congressional approval for national security tariffs.
 - The president would retain authority to impose new or additional tariffs for national security purposes, but the tariff action could not last for longer than 120 days unless Congress authorizes the action through an affirmative vote.
 - This provision will apply to tariffs proposed by the president under Section 232 of the Trade Expansion Act of 1962; the International Emergency Economic Powers Act; and the Trading With the Enemy Act.
2. Increase and formalize the congressional role in non-national security tariffs.
 - Requires the United States Trade Representative to provide Congress with clear goals and the strategy behind any proposed tariff action, and provides a mechanism for Congress to block the tariff through a joint resolution of disapproval (subject to presidential veto and congressional override).
 - This provision will apply to tariffs proposed by the president under Section 301 of the Trade Act of 1974.
3. Require a presidential administration to provide more information to Congress for both national security and non-national security tariffs.
 - Requires the International Trade Commission, an independent federal agency, to provide Congress with analyses of proposed tariff actions and requires the Administration to formally consult with relevant congressional committees prior to taking a tariff action.